The working of the Russellkonda Saw Mill.

* 203 *Q.*—Rao Bahadur C. V. S. NARASIMHA RAJU: Will the hon. the Home Member be pleased—

(*a*) to state whether the Russellkonda Saw Mill is working at a profit or loss at present; and

(*b*) to place on the table the latest audit accounts available?

A.—(*a*) & (*b*) The profit for the year ending 31st March 1925 was Rs. 1,894-12-4. The accounts will be placed on the table shortly.

Sriman SASIBHUSHAN RATH Mahasayo:—"What is the basis on which the profit of Rs. 1,894-12-4 was derived; is it the same as that of last year?"

The hon. Khan Bahadur MUHAMMAD USMAN SAHIB Bahadur:—"I want notice of the question."

The work of the Russellkonda Saw Mills.

* 204 *Q.*—Mr. G. RAMESWARA RAO: Will the hon. the Home Member be pleased to state—

(*a*) whether Russellkonda Saw Mills worked at a total loss of Rupees 36,000 in 1923-24;

(*b*) whether any improvement has since been found in the working of the mills as regards (i) cost of its working, (ii) sale price of timber, (iii) reduction of establishment, (iv) finding new and better markets, (v) demand for timber;

(*c*) whether the cost price is taken as the basis of valuation of stock in hand or market price in all the balance sheets of these mills prepared by Messrs. Fraser & Ross and whether it is so done in all balance sheets and profit and loss accounts prepared by them for the Government in all commercial concerns; and

(*d*) whether it is proposed to close the mills now and, if not, whether the vote of the House would be taken in the matter?

A.—(*a*) Yes according to the accounts published in G.O. No. 176, Development, dated 3rd February 1925; but with reference to the instructions issued in that order the interest charged on the capital invested has been reversed and various other adjustments made. The accounts as revised show a net loss of Rs. 6,059-5-5 for the year 1923-24.

(*b*) (i) The cost of production per cubic foot has fallen from Rs. 1-6-0 in 1923-24 to Rs. 1-2-10 in 1924-25.

(ii) No. Prices have fallen.

(iii) No.

(iv) No.

(v) No. There is still a slump in the Calcutta timber market.

(*c*) In the case of the Russellkonda Saw Mills stocks are valued at the actual cost of conversion based on the rate at which timber is supplied to the mills, viz., 4 annas per cubic foot. In the case of other commercial concerns stocks are valued at cost or